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REPORT

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THE AUDITOR-GENERAL

ON

**RIATIRIMBA TECHNICAL AND VOCATIONAL
COLLEGE**

FOR THE YEAR ENDED

30 JUNE, 2023

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 19 JUN 2025	DAY: Thursday
TABLED BY:	Hon. Silvanus Asoro (Majority party Whip)
CLERK-AT THE-TABLE:	Anastacia

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2023



RIATIRIMBA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30TH JUNE 2023

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1. Acronyms & Glossary of Terms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the entity

2. Key entity information and management

a) Riatirimba Technical & Vocational College Information and Management.

Riatirimba Technical and Vocational College (RTVC) is a government-sponsored public institution under the Ministry of Education, within the State Department for TVET. Accredited and licensed to provide training and assessment. RTVC offers technical courses from Level 3 to Level 6 qualifications. The college specializes in technical subjects, with a particular focus on Mechanical Engineering, especially Production and Plant Engineering, establishing itself as a centre of excellence in this field. In addition, RTVC serves as a training hub for other institutions across the greater Lake Region, particularly in the Upper South Nyanza area, providing subsidiary training and support to enhance regional capacity for Mechanical Engineering.

b) Background Information

Riatirimba Technical and Vocational College, (RTVC), originally began as a Mechanical workshop for Keroka Technical Training Institute (KETTI). However, following strong advocacy by the local community and support from the Ministry of Higher Education & Research by then, efforts were made to elevate the workshop into an independent technical college. This vision came to fruition in 2020, but its formal establishment was delayed due to the disruption caused by the COVID-19 pandemic, which halted educational activities nationwide.

Despite these challenges, Riatirimba TVC was successfully registered as an independent Technical and Vocational College on 28th January, 2021. The college was awarded the accreditation certificate with TVET registration number TVETA/PUBLIC/TVC/0016/2021 and training license number TVETA/PUBLIC/TVC/0016/2021.

Currently, RTVC offers a diverse range of programs across several departments, including Electrical Engineering, School Computing, Building and Civil Engineering, Hospitality, Business Studies, and Mechanical Engineering. The institution has also earned recognition as a Centre of Excellence, particularly in the field of Mechanical Engineering..

c) Core Principal Activities

Riatirimba Technical and Vocational College (RTVC) is a leading institution dedicated to delivering high-quality technical education and training. The college's core mission

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revolves around providing competency-based training that equips trainees with the practical skills and knowledge needed to excel in various industries. Through our comprehensive programs, RTVC focuses on skills acquisition and the retooling of the youth, enabling them to adapt to the ever-changing technological landscape and meet the demands of the modern job market.

At RTVC, is committed to fostering a learning environment that prepares trainees for global acceptance, ensuring that they are not only capable of meeting local industry standards but are also competitive in the global workforce. Our emphasis on digitalization and the integration of modern technology into our curriculum enables our trainees to become proficient in the latest tools and systems used in their respective fields, positioning them for success in the digital age.

By aligning our programs with industry needs and global trends, RTVC strives to create a pool of skilled, adaptable, and forward-thinking professionals who can thrive in a rapidly evolving technological environment.

Vision

The vision of the college is to scale the heights of technology.

Mission

The mission of the college is to engage the minds in order to enhance creativity and innovation to propel quality skills towards meeting industry needs.

Core Values

Riatirimba Technical and Vocational College is committed to and will be identified by the following core values:

- i. Quality work
- ii. Team work
- iii. Creativity and inn ovation
- iv. Accountability and transparency
- v. Integrity

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Key Management

The Riatirimba Technical & Vocational College's day-to-day management is under the following key organs:

- Board of Governors
- Principal
- Deputy principal
- Registrar
- Dean of trainees
- Head of Departments
- Head of Finance
- Head of Procurement entity

1. Fiduciary Management

The key management personnel, who held office during the financial year ended **30th, June 2022** and who had direct fiduciary responsibility were;

SN.	Designation	Name
1.	Principal	Mr Kennedy Anyona
2.	Deputy principal	Mr Johnson Nyamweya
3.	Registrar (s)	Mr Yapline Nyakundi
4.	Dean of trainees	Mr Maroa Paul
5.	Head of Finance	Mr Rogers Mokinu

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Key Entity Information and Management

Fiduciary Oversight Arrangements

The College established the board of governors after its formation and gazetted in 2021 and the following committee were proposed as per the Mwongozo Policy of 2020

- Audit and Risk Compliance committee
- Finance and Operations & Development Committee
- Academic and Research and Human Resource Committee

Entity Contacts:

(a) Riatirimba Technical & Vocational College Contacts

RIATIRIMBA MAIN CAMPUS,
P.O. Box 25-40201, GESUSU,
KISII, KENYA
Telephone: 0757331085
E-mail: info@riatirimbatvc.ac.ke
Website: riatirimbatvc.ac.ke

(b) Riatirimba Technical & Vocational College Bankers

Kenya Commercial Bank
Keroka Branch
KISII, KENYA

(c) Independent Auditors

Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084 - 00100
NAIROBI, KENYA

(a) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112 - 00200
City Square NAIROBI, KENYA

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3. The Board of Governors

S/No.	Member/ Director	Details
1.	DR. BENSON ONGARORA	He holds a PHD degree and serves as the Chairman of the board of governors
2.	DR. JANE OMBATI	She a PHD degree holder. She seats in Finance and Operation board committee and also education and research board committee
3.	FRANCIS GATHURA	He is a Masters holder and is a member of the board and seats in Audit and Risk Board Committee.
4.	KAPERRE NDEGE	He is a Master's holder and seats in Audit and Risk board committees
5.	KENNEDY ANYONA	He is a Master's degree holder. He is the secretary to the board. He serves in all the committees except Audit and Risk Committee
6.	NINA AUMA	She holds a Master's degree. She seats in Audit and Risk board committee and also in financial and education committee.
7.	GIBSON MICHIRA	He is a Master degree holder.
8.	TOM OLANGO	He holds a Master's degree and is a member of the board. He is the TVET county director. He serves in all the committees.

4. Key Management Team

S/No	Member/ Director	Details
1.	KENNEDY ANYONA	Principal/ BOG secretary
2.	JOHNSON NYAMWEYA	Deputy Principal
3.	MAROA PAUL CHACHA	Ag. Dean of Trainees
4.	YAPLINE BOGOMBA	NYAKUNDI Ag. Registrar

3. Chairman's Statement

It is with great pleasure that I welcome you all to this important milestone. As the Chairman of the Board, I am honoured to have this opportunity to highlight an overview of the journey that Riatirimba Technical and Vocational College (RTVC) has undertaken thus far and our vision for the future.

Riatirimba TVC's journey began with humble beginnings in 2011 as a mechanical workshop under Keroka Technical Training Institute. At that time, our college was only equipped with a single, complete godown that housed a mechanical workshop. While this served as a starting point, the lack of essential infrastructure has remained a significant challenge as we strive to establish a fully functional and modern technical institution.

Today, RTVC stands as an institution with a bright future, but still faces several challenges, particularly in terms of infrastructure. Currently, the college lacks adequate classrooms, administrative offices, a library, and proper sanitation facilities, such as latrines, for both staff and trainees. These limitations have hindered our capacity to provide the highest quality education and training to our trainees, who are the future of our nation.

However, despite these challenges, the Board remains committed to transforming RTVC into a leading centre of excellence in technical and vocational education. To address these infrastructure deficits, we are in the process of developing a comprehensive master plan for the future growth of the college. This plan will outline our vision for sustainable growth, expansion of infrastructure, and the development of new academic and training programs.

In addition to the master plan, we are working on formulating strategic policies that will provide clear direction for the college's growth and the Board's governance. These policies will ensure that RTVC operates with transparency, accountability, and efficiency as we continue to serve the community. We are also focused on developing a detailed strategic plan, which will serve as a roadmap for the next several years and ensure that we are responsive to the needs of the industry and the broader community.

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Furthermore, we recognize that the success of any institution, especially a technical college, depends heavily on its ability to secure adequate funding. To this end, the Board is actively engaging in efforts to mobilize funds from both local and governmental sources. We will be seeking partnerships, grants, and other funding opportunities to enable us to invest in the necessary infrastructure, resources, and training programs required to meet the demands of the ever-evolving technical landscape.

As we continue on this journey, it is essential that we remain committed to the ideals of competency and skills acquisition. Our ultimate goal is to retool our youth and equip them with the necessary skills to meet the ever-changing demands of the workforce and global market. We believe that education is the key to empowering individuals and transforming communities.

In conclusion, while we face significant challenges, we also see immense potential for RTVC to grow and thrive. The Board is dedicated to ensuring that the necessary steps are taken to turn this vision into reality. We look forward to working closely with the management, staff, and all stakeholders to create an environment that fosters excellence, innovation, and progress.

Thank you for your continued support and commitment to the future of Riatirimba Technical and Vocational College.

4. Report of the Principal

As the Principal of Riatirimba Technical and Vocational College (RTVC), it is both a privilege and a responsibility to present this detailed report on the current state of the college, its challenges and the path forward as we continue to grow and develop as an institution.

Since the elevation of RTVC into an independent institution in 2020, the journey toward building a fully functional technical college has been both challenging and rewarding. The college has been operating without the necessary infrastructure, including classrooms, administrative offices, and a library. The staff and trainees have had to work in a constrained environment, with limited resources. Moreover, the sanitation facilities at the college are inadequate, with staff and trainees sharing limited latrines. These infrastructural challenges have affected the overall learning and working conditions and have been a barrier to achieving the college's full potential.

Despite these challenges, significant progress has been made. Our academic programs have continued to provide high-quality training, and we have been able to attract a growing number of trainees in various disciplines, particularly in mechanical engineering, which is the college's centre of excellence. The demand for our programs has increased, further underlining the need for expansion and better facilities to accommodate our growing student population.

In response to these challenges, management has initiated several key steps to ensure the college's long-term sustainability and success. We are currently developing a comprehensive master plan that will guide the future growth of the college, including the construction of additional classrooms, administrative offices, student amenities, and modern training workshops. This plan will serve as a roadmap for the college's development, outlining the infrastructure needs and setting clear objectives for the next several years.

Additionally, we are in the process of developing policies that will provide strategic direction for the college. These policies will help streamline operations, ensure accountability, and improve the efficiency of our programs. We are also in the process of drafting a strategic plan, which will align the college's activities with the needs of the industry and the broader community.

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On the financial front, the college has faced limitations in resources due to the lack of sufficient funding and infrastructure. However, efforts are underway to improve the financial performance of the college. We have been actively engaging with government agencies, local stakeholders, and private sector partners to mobilize additional funding to support the college's development. These efforts include seeking grants, establishing strategic partnerships, and exploring other revenue-generating initiatives to ensure that we are able to provide the necessary infrastructure and resources to support both trainees and staff.

I am pleased to report that we have managed our finances with caution and prudence. Although we continue to operate under financial constraints, we remain focused on ensuring that available resources are used effectively to meet the immediate needs of the college. Our commitment to transparency and accountability in financial management continues to guide our actions.

In conclusion, while the college continues to face infrastructural challenges, I am optimistic about the future. The efforts being made to develop a master plan, secure funding, and improve our policies and procedures are a positive step toward ensuring that Riatirimba TVC can fully realize its potential. Our focus remains on providing high-quality training, fostering a conducive learning environment, and ensuring that our trainees acquire the skills and competencies needed to succeed in the global workforce.

I would like to take this opportunity to express my sincere gratitude to the Board, staff, and all stakeholders for your continued support. Together, we will continue to work toward achieving the vision of Riatirimba Technical and Vocational College as a leading center of excellence in technical and vocational education.

PRINCIPAL
RIATIRIMBA TVC
DANUWU
P.O. Box 25 - 40201, GESUSU
Email: info@riatirimbatvc.ac.ke

KENNEDY M. AMUNA
PRINCIPAL/ SECRETARY TO THE BOARD

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5. Statement of Performance against Predetermined Objectives

In compliance with Section 81, Subsection (2) of the Public Finance Management Act, 2012, the management of Riatirimba Technical and Vocational College (RTVC) ensures that its strategic objectives are aligned with the performance targets set by national government entities. This alignment is aimed at achieving the overarching goals of the institution while maintaining accountability and transparency in the management of public resources.

RTVC's strategic pillars, which form the foundation of our annual work plans, include:

1. Staff
2. Physical Infrastructure
3. Equipment
4. Water
5. Resource Mobilization

These strategic pillars are designed to drive the growth and development of the college, ensuring that we meet the evolving needs of both the trainees and the community we serve. Each year, our work plans are developed based on these pillars, with clear objectives and performance targets for the fiscal year.

The management conducts quarterly assessments of the Board's performance against the annual work plan to ensure that we are on track to achieve the set targets. For the fiscal year 2021/2022, RTVC successfully met its performance objectives across all five strategic pillars.

The following diagram illustrates the strategic pillars and the outcomes achieved during the reporting period:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
STAFF	To increase number of teaching and non-teaching staff	Number of teaching staff and non-teaching staff increased	Recruitment of more staff	Additional staff

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Physical infrastructure	To provide the required physical infrastructure in the college	Classrooms to be constructed	Building of classrooms	Presence of new classrooms
Equipment	To provide adequate training equipment	Training equipment requisitioned and procured across the departments	procurement	Presence of additional; equipment
Water	To provide adequate sustainable water in the college	acquire tanks	Procurement process	Availability of water
Resource mobilization	To provide adequate source of funding	Increase enrolment	Marketing and advertising	Increase student population

Achievements reflect the diligent efforts of our management, staff, and stakeholders, and demonstrate our commitment to fulfilling the institution's strategic goals and contributing to the broader goals set by the government. Through continuous monitoring and evaluation, we ensure that our performance remains aligned with the prescribed objectives, fostering a culture of excellence and accountability.

6. Corporate Governance Statement

At Riatirimba Technical and Vocational College (RTVC), we are committed to maintaining the highest standards of corporate governance to ensure transparency, accountability, and effectiveness in our operations. Our governance framework provides a solid foundation for overseeing the college's activities and aligning them with the strategic objectives and performance goals set by the Board of Governors.

Board Composition and Meetings: The Board of Governors at RTVC is composed of diverse and experienced members who include the Chair and Six other Independent members. It also has the County Governor's representative and Principal Secretary Representative. The Principal seats in the board as its secretary. These team have wealth of expertise and knowledge to steer the institution towards its strategic goals. In adherence to the governance framework, the Board convenes regular meetings four times a year, with the provision for special meetings when necessary. This ensures that the Board can make timely decisions on key matters affecting the college.

During the reporting period, the board held four [4] meetings. Attendance at these meetings is a critical responsibility for all Board members. Members are expected to attend all scheduled meetings unless there are unavoidable circumstances. A member who misses three consecutive meetings without a valid reason is subject to dismissal in accordance with our governance policy. This policy ensures that the Board operates efficiently and that all members contribute to the decision-making process.

Succession planning and board Charter: To ensure the long-term sustainability of RTVC's leadership and governance, a succession plan is in place for key positions within the board. This plan ensures that the college can continue its operations smoothly and that leadership transitions occur seamlessly. In addition, a Board Charter is maintained to provide clear guidelines for the roles, responsibilities, and expectations of the Board members. This Charter is reviewed regularly to ensure it remains aligned with best practices in corporate governance and is updated to reflect changes in the college's strategic direction.

Appointment and Removal of Board Members: The process of appointing and removing Board members is transparent, structured, and governed by established procedures. Board members are

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appointed based on their expertise, experience, and ability to contribute to the strategic direction of the college. The Board is responsible for selecting members who will add value to the institution's governance:

Similarly, the removal of Board members is carried out in accordance with the government and its subsidiary governance policies, and the process is strictly governed by the guidelines outlined in the Board Charter. Members can be removed in case of neglect of duty, consistent non-attendance of meetings, or failure to perform their responsibilities effectively.

Roles and Functions of the Board: Primary role of the Board is to oversee the management of the college, ensuring that it is operating efficiently, meeting its strategic objectives, and fulfilling its legal obligations. The Board provides strategic direction, monitors performance, and ensures the alignment of resources with the goals of the college.

The Board has several key functions, including:

- (a) Approving the institution's overall strategic plan.
- (b) Reviewing and approving major policies, budgets, and plans among others.

Ensuring compliance with all regulatory and legal requirements.

- a) Overseeing the financial health of the college.
- b) Appointing and evaluating the performance of the Principal and key management staff.
- c) Ensuring effective risk management practices are in place.

Induction and Training: The Board of Governors values the professional development of its members and recognizes the importance of continuous learning in an evolving educational environment. As such, a comprehensive induction and training program is provided for new Board members. This ensures that they understand the college's operations, governance structures, and their roles and responsibilities within the institution.

In addition, on-going training and development are provided to existing members, ensuring that the Board stays current on emerging trends in governance, education, and relevant statutory requirements.

Board and Member Performance: Board performance is regularly assessed through self-assessment and peer reviews. This process is integral to identifying areas of improvement and

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ensuring that the Board continues to operate efficiently. Performance reviews are conducted annually, with individual members' contributions to meetings, strategic discussions, and decision-making being evaluated and overseen by the office of governance at Ministry HQ.

Conflict of Interest: The Board is committed to maintaining high ethical standards, and as such, members are required to disclose any potential conflict of interest at the outset of every meeting. The Board has clear procedures for addressing any conflicts that arise. If a conflict of interest is identified, the member involved must recuse themselves from discussions and decisions related to that particular issue.

Board Remuneration: Board members serve in a voluntary capacity, and no remuneration is provided for attendance at Board meetings. However, members may be reimbursed for travel and other expenses incurred in the course of carrying out their duties as Board members and as guided by the Cabinet Secretary of Education circular reviewed periodically.

Ethics and Conduct: The RTVC Board of Governors is committed to upholding the highest standards of ethics and conduct in its decision-making processes. All members are expected to demonstrate integrity, honesty, and fairness in their roles. This includes respecting the confidentiality of Board discussions and making decisions in the best interests of the institution, free from personal interests.

Governance Audit: RTVC also conducts regular governance audits to evaluate the effectiveness of its corporate governance practices. These audits assess whether the Board is operating in compliance with the relevant laws, policies, and regulations. Any gaps identified during the audit process are addressed promptly to ensure continuous improvement.

The RTVC Board of Governors is dedicated to ensuring that the institution operates with the highest standards of governance, accountability, and transparency. By upholding best practices in governance and continually evaluating our processes, we aim to provide the leadership and

7. Management Discussion and Analysis

SECTION A: Riatirimba TVC Operational and Financial Performance.

Riatirimba Technical and Vocational College, (RTVC), has demonstrated steady growth in both operational and financial performance since its inception to date. The financial statements indicate that the college is operating within a stable financial position, affirming its ability to continue as a going concern.

During the reporting period, the institution made significant investments in infrastructure, academic programs, and human capital development to enhance service delivery.

✓ .

1. Key Projects and Investments:

- ✓ Completion of **Godown Workshop Phase 3** aimed at improving mechanical engineering training facilities.
- ✓ Procurement of modern technical equipment to enhance hands-on learning.
- ✓ Expansion of student accommodation and classroom facilities to accommodate growing enrollment.

2. Financial Position & Liquidity:

- ✓ Current assets and liabilities indicate a positive liquidity position, ensuring the college can meet its short-term obligations.
- ✓ The institution continues to explore sustainable funding strategies, including partnerships and grant opportunities.
- ✓ The Board of Governors confirms that the financial statements present a true and fair view of the financial position of RTVC.

SECTION B: Compliance with Statutory Requirements

Riatirimba is fully compliant with all statutory and regulatory requirements, in accordance with **Section 83(5)** of the **PFM Act** and the **IPSAS** applicable for financial statement preparation.

The Board of Governors, together with management, takes full responsibility for;

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- Ensuring timely submission of financial reports to relevant authorities. Maintaining proper accounting records that provide a reliable basis for financial statement preparation.
- Establishing and maintaining effective internal control systems to safeguard the institution's assets and financial integrity.

Additionally, the college has adhered to statutory obligations, including:

- Timely remittance of **PAYE, NHIF, NSSF**, and other employee-related deductions.
- Compliance with **procurement laws**, ensuring transparency and accountability in financial transactions.
- Meeting audit and reporting requirements as prescribed by regulatory bodies.

Major Risks and Challenges:

Despite the steady financial performance, the institution faces challenges such as:

- **Fluctuating government capitation**, impacting budget planning.
- **Rising operational costs**, necessitating resource mobilization strategies.
- **Delayed student fee payments**, affecting cash flow management.

Management remains committed to addressing these risks through prudent financial management, strategic partnerships, and continuous improvement of revenue streams.

9. Environmental and Sustainability Reporting Statement

Riatirimba Technical & Vocational College, (RTVC), is driven by a core purpose: to transform lives through education and training. This guiding purpose remains the foundation of all our operations and strategic endeavours. Our mission is to create an institution that continuously delivers on this vision by focusing on three key pillars: prioritizing our clients, delivering relevant services, and striving for operational excellence.

RTVC's strategy is designed to not only foster academic and technical skills but also prepare our students for the challenges of a dynamic global workforce. Our objectives are rooted in continuous improvement and sustainability, with a keen focus on enhancing educational outcomes, expanding industry partnerships, and integrating sustainability into the core fabric of the institution.

i. Sustainability Strategy and Profile:

At RTVC, we understand the vital role sustainability plays in the educational ecosystem. Our strategy revolves around aligning educational initiatives with sustainable practices, ensuring that students receive the relevant skills to address the challenges of the future. As part of this commitment, we have developed initiatives that promote environmental sustainability and have built robust relationships with local high schools to help shape the next generation of leaders.

Key staff from RTVC have actively participated in career days, workshops, and mentorship programs targeted at high school students, motivating them to consider technical training and vocational education. These efforts are aimed at inspiring the youth and ensuring that RTVC remains the institution of choice for students aspiring to gain practical skills for the future. Our strong ties with prospective students ensure a seamless transition for individuals seeking to pursue vocational education.

ii. Environmental Performance:

Environmental sustainability is a critical priority for RTVC. We recognize the direct and indirect effects of environmental degradation on society and, as such, have implemented various measures to minimize our ecological footprint. The institution remains committed to ongoing efforts in environmental conservation, ensuring that waste disposal is done in a

manner that reduces pollution and fosters a cleaner, healthier environment for the community.

RTVC has invested in waste management systems and practices that align with environmental best practices. The institute actively educates its staff and students on the importance of reducing, reusing, and recycling, further solidifying our commitment to protecting the environment and promoting sustainable practices within the community.

iii. Market Place Practices:

As part of RTVC's dedication to responsible corporate behaviour, we are committed to ensuring that our operations are conducted in an ethical and transparent manner. We take pride in our approach to maintaining integrity across all aspects of our institution. This includes responsible competition, responsible supply chain practices, ethical marketing, and the protection of consumer rights.

iv. Responsible Competition Practices:

RTVC upholds fair competition and ethical business practices in all of its engagements. We operate within the frameworks of anti-corruption laws and regulations, ensuring that no unfair advantages are gained in any of our dealings. The institution maintains a transparent approach to procurement, recruitment, and partnerships, ensuring that we respect our competitors and abide by ethical guidelines. Our commitment to integrity fosters a fair and balanced environment, enabling us to foster long-term relationships within the education sector and beyond.

v. Responsible Supply Chain and Supplier Relations:

At RTVC, we value our suppliers and maintain a commitment to responsible supply chain practices. We honour all contracts with our suppliers and ensure timely payments as per agreed terms. Our procurement processes are transparent and fair, with the goal of building sustainable and mutually beneficial relationships with all suppliers. We ensure that our suppliers share in our commitment to ethical business practices and hold them to the same standards of accountability.

vi. Responsible Marketing and Advertising:

RTVC is committed to maintaining ethical marketing practices that are in line with the values of our institution. We ensure that our marketing materials are clear, truthful, and not misleading in any way. We adhere to all regulations regarding advertising and marketing, promoting our programs and services in a manner that accurately represents the offerings of the institution. Our marketing strategy is focused on building long-term relationships based on trust, transparency, and mutual respect.

vii. Community Engagement:

As part of our community engagement efforts, RTVC actively collaborates with local businesses by providing small works and services. This includes engaging with local contractors and artisans, offering opportunities for them to participate in various college projects. By doing so, we not only help support the local economy but also foster relationships with nearby enterprises, creating a more robust and interconnected community.

a) Involving Trainees in Community Cleanliness Initiatives

RTVC is deeply committed to environmental stewardship, and we actively involve our trainees in community cleanliness activities.

b) Providing Access to Clean Spring Water

In a demonstration of our commitment to community welfare, RTVC also offers clean spring water from a natural water source found on the college premises. This resource is provided to local residents, ensuring access to safe and clean drinking water. By sharing this vital resource with the community, we contribute to public health and well-being, demonstrating RTVC's role as a responsible and caring institution within the region.

In conclusion, through these initiatives, RTVC remains dedicated to promoting sustainable development and positive community relationships. Our CSR activities aim not only to support local businesses and improve community infrastructure but also to equip our students with a strong sense of social responsibility.

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON RIATIRIMBA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Adverse Opinion is issued when the Auditor-General determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

The accompanying financial statements of Riatirimba Technical and Vocational College

set out on pages 1 to 47, which comprise the statement of financial position as at 30 June, 2023, and the statement of financial performance, the statement of changes in net assets, statement of cash flows and statement of comparison of budget actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information have been audited on my behalf by Menya and associates, auditors appointed under Section 23 of the Public Audit Act, 2015. The auditors have duly reported to me the results of their audit and on the basis of their report, I am satisfied that all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit were obtained.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of Riatirimba Technical and Vocational College as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with Public Sector Accounting Standards (Accrual Basis) and do not comply with the Technical and Vocational Education and Training Act, 2013 and Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

Review of records and annual report revealed a number of inaccuracies in the following financial statements;

1.1 Inaccuracies in the Statement of Financial Position

The statement of financial position reflects total assets balance of Kshs.886,506 which differs with the total net assets and liabilities balance of Kshs.417,439 by Kshs.469,067 hence the statement of financial position is unbalanced by Kshs.469,067. Further, the statement of the financial position reflects total assets balance of Kshs.886,506 which differs with the total of revaluation reserves, accumulated surplus and capital fund of Kshs.417,439 resulting to a variance of Kshs.469,067.

In the circumstances, the accuracy and completeness of net asset balance of Kshs.886,506 could not be confirmed.

1.2 Inaccuracies in the Statement of Cashflows

The statement of cashflows reflects cash and cash equivalents at 30 June, 2023 of Kshs.617,355 while the recomputed balance is Kshs.854,626 resulting to a variance of Kshs.237,271. Further, the audit revealed opening balance of Kshs.935,939 in the cash and cash equivalent balance which was not supported.

In the circumstances, the accuracy and completeness of cash and cash equivalent balance of could not be confirmed.

1.3 Inaccuracies in the Statement of Comparison of Budget and Actual Amounts

The statement of comparison budget and actual amounts reflects total expenditure performance negative difference of Kshs.5,722,043 which differs with the recomputed positive balance of Kshs.5,588,143 resulting to unreconciled variance of Kshs.11,310,186.

In addition, the statement also reflects total income budget of Kshs.12,158,215 against total expenditure balance of Kshs 12,158,215. However, the balances were not supported with detailed approved budget or minutes approving the same, quarterly budget review and reallocation minutes, procurement plan and work plan.

In the circumstances, completeness and accuracy of the statement of comparison of budget and actual amounts could not be confirmed.

2. Unsupported Rendering of Services-Fees from Students

The statement of financial performance reflects rendering of services-fees from students amount of Kshs.3,061,760. However, detailed schedules, ledger and requisite documentation, such as student enrolment records, rate per student, fees structure for various student categories and fee payment receipts were not provided for verification.

In the circumstances, the accuracy and completeness of rendering of services-fees from students amount of Kshs.3,061,760 could not be confirmed.

3. Unsupported Use of Goods and Services

The statement of financial performance reflects use of goods and services amount of Kshs.3,920,378 as disclosed in Note 28 to the financial statements. However, included in the balance of Kshs.3,920,378 is an industrial attachment costs of Kshs.44,262, travelling and accommodation Kshs.1,095,135 bank charges Kshs.10,030 and fuel and oils kshs.38,161 balances whose balances were not supported with detailed schedule and ledger

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.3,920,378 could not be confirmed.

4. Unsupported Employee Costs

The statement of financial performance reflects employee costs amount of Kshs.1,966,340. However, the balance was not supported with master rolls, the casual's attendance sheets, monthly pay rolls, statutory deductions payment schedules and ledger.

In the circumstances, the accuracy and completeness of employee costs amount of Kshs.1,966,340 could not be confirmed.

5. Unsupported Board Expenses

The statement of financial performance reflects board expenses amount of Kshs.296,144. However, the balance was not supported with ledger and detailed schedule indicating the date, payment voucher number, per board member's allowances, sitting allowance, board meetings minutes and duly signed attendance registers. Further, the per board members appointment letters, notices to the meetings among other required documents were not provided for audit review and verification.

In the circumstances, the accuracy and completeness of board expenses amount of Kshs.296,144 could not be confirmed.

6. Unsupported Cash and Cash Equivalent

The statement of financial position reflects cash and cash equivalent balance of Kshs.617,355. However, the balance was not supported with approved reconciliation, reconciling items schedules indicating transaction date, subsequent dates cleared, petty cash balance approved cash floats, certificate of cash balance or board of survey as at 30 June 2023.

In the circumstances the accuracy and completeness of the reported cash and cash equivalent balance of Kshs.617,355 could not be ascertained.

7. Failure to Disclose Receivables from Exchange Transactions

The statement of financial position reflects nil balance on receivables from exchange transactions balance. The College students' debtors were not disclosed. No records in regard to the ageing analysis, detailed schedules and ledger were provided for audit review.

In the circumstances, the accuracy and completeness of receivables from exchange transactions nil balance could not be confirmed.

8. Failure to Disclose Property Plant and Equipment

The statement of financial position reflects nil balance on property, plant and equipment. However, the audit revealed that the College has a number of assets like land and buildings, vehicles, furniture and fittings, computers and ICT related equipment, office equipment all of which are not disclosed. Further, review of accounting records revealed that the College received a number of donated assets by the Ministry of Education. However, documents from the Ministry showing historical costs of these assets or valuation reports supporting the amounts were not provided for audit. These assets values have also been excluded or not accounted or disclosed in the property plant and equipment. In addition, the audit verification revealed that the College did not have a title deed for the land and ownership documents for the buildings and other assets. It was also not clear how the property, plant and equipment values were arrived at and there was no depreciation policy and assets were not depreciated for over two years.

In the circumstances, the accuracy and completeness of repairs and maintenance amount of Kshs.387,201 could not be confirmed.

9. Unsupported Biological Assets

The statement of financial position reflects biological assets balance of Kshs.140,000. However, the balance was not supported with biological assets inventory report, detailed schedule and ledgers. Further, the nature of biological assets, quantity and values were not disclosed.

In the circumstances, the accuracy and completeness of biological assets balance of Kshs.140,000 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Riatirimba Technical and Vocational College Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2023 reflects total income budget of Kshs.12,158,215 against actual income of Kshs.6,488,360 resulting in to unrealized income amounting to Kshs.5,669,855 or 47%. This is an indication of unrealized targets and which may be as a result of over budgeting. Further, the total expenditure budget amounted to Kshs.12,158,215 against actual expenditure of Kshs.6,570,072 resulting to under absorption of Kshs.5,588,143 or 46%, indicating that some activities and budgeted projects may not have been implemented.

The underfunding and under-expenditure constrained implementation of planned activities and may have impacted negatively on service delivery to the students and other stakeholders of the College. There is need therefore for the College Management to review its budget making process with a view to formulating a realistic budget that would be actualized for service delivery as per the college mandate and provide services to the students and other stakeholders.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Information

The Management is responsible for the Other Information set out on page vi to xxviii which comprises Key Entity Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion Analysis, Environmental Sustainability Reporting Statement, Report of the Board of Governors and Statement of Board of Governor Responsibilities. The Other Information does not include the financial statements and my audit report thereon

In connection with my audit on the College's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources sections of my report, I confirm that public resources have not been applied lawfully and in an effective way

Basis for Conclusion

1. Non-compliance to Prescribed Financial reporting Template

The Cabinet Secretary National Treasury vide gazette notice number 5440 dated 8 July, 2014 approved the adoption of IPSAS Accrual issued by International Accounting Standards Board for application in all State Organs. The Public Sector Accounting Standards Board in addition issued an IPSAS accrual-based reporting template to be adopted by the state organs. However, the table of contents, various headings and notes to the financial statements were not aligned, some notes like note 27 and note 40 are erroneous, page xxvii on chair board of governor's report and statement of board of governor's responsibilities in page xxvii to xxviii sections are not duly signed by the chair but signed for on his behalf, report of the board of governors and approval of the financial statements by the chair of the board in page are not dated and signed accordingly, the

statement of financial performance and of financial position do not have accountants ICPAK number and various pages are noted to have errors.

In the circumstances, the financial statements do not comply with the reporting format prescribed by the Public Sector Accounting Standards Board.

2. Non-compliance with the Law on Ethnic Diversity in Staffing

Audit review of employees' records indicated that all out of the employees of the College or 100% were from one ethnic community. This was contrary to Section 7(1) and Section 7(2) of the National Cohesion and Integration Act, 2008 which requires all public establishments to seek to represent the diversity of the people of Kenya in the employment of staff and ensure that not more than one-third of its staff are from the same ethnic community.

In the circumstances, Management is in breach of the law.

3. Failure to Maintain Insurance for the College Staff

The audit revealed that all the Board of Governors (BOG) employees at the College are not covered by any insurance company. This exposes the college staff to risks that may arise during its operations and in line of duty. This was contrary to section 7 (1) of the Work Injuries and Benefits Act 2007 which states that every employer shall obtain and maintain an insurance policy, with an insurer approved by the ministry in respect of any liability the employee may incur under this Act to any of its employees.

In the circumstances, Management was in breach of the law.

4. Weaknesses in Imprest and Cash Management System

Review of accounting records revealed lack of clear management of the petty cash and imprest management system. No imprest register was maintained to record all imprests issued, surrendered and outstanding balances. Imprests were issued, but no surrender documents were provided for audit verification. Further, various activities were undertaken throughout the financial year without prior approvals hence not possible for the Management to prevent activities that are not objective and strategic to the goals of the College. In addition, the College used cash to purchase goods items and services without taking imprests and there was also no approved imprest holders and cash floats to guide the withdraws limits and reimbursements.

In the circumstances, the regularity of imprest management practices of the College could not be confirmed and Management was in breach of law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that internal controls, risk management and governance were not effective

Basis for Conclusion

1. Lack of Approved Staff Establishment and Human Resource Manual

The College does not have an approved staff establishment contrary to the Ministry of Education: State Department of Vocational and Technical Education Circular Ref No: MST/DTE/1/1 dated 12 July, 2019 on staff establishment and justification for Technical and Vocational Education and Training (TVET) Institutions, which requires the institutions to develop a staff establishment with, clear justifications for consideration and approval by the Public Service Commission. Further, the College has no human resource manual and established human resource office for human resource recruitments and other human resource functions. In addition, the College does not have a functional human resource department, which is necessary for staff enrollment and motivation.

In the circumstances, the effectiveness of human resource function in the college could not be confirmed.

2. Weaknesses in the Management of Fixed Assets

The audit revealed that the College did not maintain a complete asset register to record necessary information such as date of acquisition, type of assets, supplier name, costs, accumulated depreciation, net book values asset codes, custodian and location among other details in respect of the assets the College owns. In addition, no assets manager was appointed or asset management committee put in place to effectively manage the College's assets. The assets have not been tagged and as a result making it difficult for the management to manage its assets efficiently. Further the assets were not insured. There were a number of assets bonded in the stores but no evidence of disposal.

In the circumstances, the effectiveness of the College's internal controls over assets could not be confirmed.

3. Payment Vouchers not Pre-numbered, Duly Authorized and Voted

In the year under review, the audit revealed that the payment vouchers at the College are manually serialized but not pre-numbered. Most of them were not pre-numbered or

serialized. Some were manually serialized but not consistently done. None of the vouchers included documentation from the budgetary section to confirm the availability of funds which indicates that payments were not duly voted.

In the circumstances the effectiveness of the College's internal controls over vouchers could not be confirmed.

4. Regular Stock Take and Inventory Recording and Management

The institution did not carry out regular or at least an annual stock-take of its various inventory categories for the financial year under review. Further, there were no proper inventory records like updated bin cards, inventory registers, stock movement and issuance registers.

In the circumstance, the effectiveness of the College's internal controls and risk management could not be confirmed.

5. Lack of Internal Audit Function and Audit Committee

The PFM Act, 2012 section (4) A national government entity shall ensure that internal audits in respect of the entity are conducted in accordance with international best practices. (5) Every national government public entity shall establish an audit committee whose composition and functions shall be as prescribed by the regulations. During the year under review, the College operated without an internal audit function and audit committee.

In the circumstances, the effectiveness of the College's internal controls and risk management could not be confirmed.

6. Lack of Documented Risk Management Policy

Information provided indicated that the College operated without a Risk Management Policy and Strategies during the financial year 2022/2023, contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015. Therefore, the College lacked guidelines on how risks were identified, their significance estimated and likelihood of their occurrence were determined. Further, there no guidelines on how risks were controlled and monitored to ensure that correction or mitigation measures were effective in the absence of documentation and reports on the same.

In the circumstance, it was not possible to ascertain how risks were identified and mitigated during the year under review.

7. Lack of a Procurement Function

During the year under review, the Management had not put in place a procurement function including recruitment of a procurement officer, to assist in preparation of procurement documents, giving professional opinion on procurement process and provide guidance on general adherence to procurement laws. For this reason, procurement of goods and services was done without use of tender documents including quotations, tender registers, tender opening, evaluation reports and notification of award.

In the circumstance, the effectiveness of the procurement function in the College could not be confirmed.

8. Lack of a Finance and Accounting and Other Key Policy Manuals

Audit review of Riatirimba Technical and Vocational College revealed that, the College has not developed finance and accounting manual to guide Management in processing financial transactions. This is contrary to Section 68 (2)(e) of The Public Finance Management Act, 2012 which states that an Accounting Officer for a National Government entity is accountable to the National College for ensuring that all applicable accounting and financial controls, systems, standards, laws and procedures are followed when procuring or disposing of goods, adequate arrangements are made for their custody, safeguarding and maintenance’.

In the circumstance, the effectiveness of the accounting function in the College could not be confirmed.

9. Lack of Information, Communication and Technology (ICT) Policy

Audit review of the Institute's ICT environment revealed that there was no formal approved ICT policy in place during the year under review, which includes data security policy, and disaster recovery plans. Further, the College's ICT structure was not provided for audit review. In addition, during the year under review, the College did not have an Information Technology (IT) steering committee for ensuring effective IT controls and strategies.

In the circumstances, the security and reliability of the College's data including its management information system could not be ascertained.

10. Lack of Continuity in the Affairs of Board of Governors and Lack of County Governor Representation

Examination of appointment letters of members of the board revealed that the term of all board members expired between September, 2022 and February, 2023. At the time of the audit in March, 2025, there was no board in place. Further review of the board of governors' records revealed that the composition of the board did not include a representative of the County Governor of Kisii County where the college is located. This was contrary to Section 1(2)(c) of the second schedule of the Technical and Vocational Education and Training Act, 2013, which provides that the membership of the Board of Governors shall comprise of a representative of the County Governor of the County within which the College is located.

In the circumstances, the effectiveness of the College's governance and operations could not be confirmed.

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

2 May, 2025

11. Lack of an Accounting System

Review of the College's accounting system revealed that the College lacked a reliable detailed ledger capturing all transactions as the accounts are maintained in excel and manual cash books which is prone to errors and manipulations. The double entry concept is not clear in recording the transactions and there was no trial balance. The college also lacked a reliable system or ERP in place to manage its transactions and enhance accuracy in the accounting records.

In the circumstances, the effectiveness and efficiency of the accounting data could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or cease operations.

The Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Board of Management is responsible for overseeing the College's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th, June 2023

13. Statement of Financial Performance for the Year Ended 30th, June 2023

	Notes	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	21	3,423,000	3,339,270
Grants from donors and development partners		0	0
Transfers from other levels of government		0	0
Public contributions and donations		0	0
Total revenue from non-exchange transactions		3,423,000	3,339,270
Revenue from Exchange transactions			
Rendering of services- fees from trainees	23	3,061,760	1,373,502
Sale of goods	24	0	0
Rental revenue from facilities and equipment	25	0	0
Finance income	26	0	0
Miscellaneous income	27	3,600	0
Revenue from Exchange transactions		3,065,360	1,373,502
Total Revenue		6,488,360	4,712,772
Expenses			
Use of goods and services	28	3,920,378	2,671,806
Employee costs	29	1,966,340	773,500
Board /Council Expenses	30	296,144	476,760
Depreciation and amortization expense	31	0	0
Repairs and maintenance	32	387,210	291,555
Contracted services	33	0	0
Grants and subsidies	34	0	0
Finance costs	35	0	0
Total Expenses		6,570,072	4,213,621
Other Gains/(Loses)			

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Gain on sale of assets	36	0	0
Gain/ Loss on fair value of investments	37	0	0
Impairment loss	38	(0)	0
Total Other Gains/(Losses)		0	0
Net surplus/(deficit) for the year		(81,712)	499,151

(The notes set out on pages 24 to 44 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 01 to 7 were signed by:


 CHAIRMAN OF THE BOARD
 OF GOVERNORS
 DATE: 02/05/2023


 FINANCE OFFICER
 DATE: 2/5/2023


 PRINCIPAL/ SECRETARY
 OF THE BOARD
 DATE: 2/5/2023

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th. June 2023

Statement of Financial Position as at 30th, June 2023

Description	Notes	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	39	617,355.75	935,938.75
Current portion of receivables from exchange transactions		0	0
Receivables from non-exchange transactions	41	0	0
Inventories	42	129,150	37,700
Investments in financial assets		0	0
Total Current Assets		746,505.75	1,134,568.75
Non-Current Assets			
Long term receivables from exchange transactions		0	0
Investments		0	-
Property, plant, and equipment	43	0	0
Intangible assets		0	0
Investment property	0	0	0
Biological Assets		140,000	0
Total Non-Current Assets		140,000	0
Total Assets		886,505.75	1,134,568.75
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	46	0	0
Refundable deposits from customers		0	0
Current provisions		0	0
Finance lease obligation		0	0
Deferred income		0	0
Employee benefit obligation		0	0
Payments received in advance		0	0
Current portion of borrowings		0	0
Social Benefits		0	0


RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
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Description	Notes	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
Non-Current Liabilities			0
Finance lease obligation		0	0
Deferred income		0	0
Non-Current Employee Benefit Obligation		0	0
Non-Current Provisions		0	0
Non- Current Borrowings		0	0
Service Concession Liability		0	0
Social benefits		0	0
Total non- current liabilities		0	0
			0
Total Liabilities		0	0
			0
Net Assets			0
Revaluation Reserves		0	0
Accumulated Surplus		(81,712)	499,151.00
Capital Fund		0	0
Total Net Assets and Liabilities		804,793	635,417.75

The Financial Statements set out on pages 1to 7 were signed by:



CHAIRMAN OF THE BOARD OF GOVERNORS
 DATE: 2/5/2025



FINANCE OFFICER
 DATE: 2/5/2025



PRINCIPAL
RIATICRIMBA TVC
 P.O. Box 25 - 40201, CESUSU
 PRINCIPAL@RIATICRIMBATVC.AC.KE
 DATE: 2/5/2025

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th, June 2023

14. Statement of Changes in Net Asset for The Year Ended 30th, June 2023

Description	Revaluati on reserve	Accumula ted Fund	Capital Grants/Fu nd	Total
At July 1, 2021	0	0	0	0
Revaluation gain	0	-	-	0
Surplus/(deficit) for the year	0	499,151	-	499,151
Capital grants received during the year	-	-	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0	(0)	-
At June 30, 2022	0	499,151	0	499,151
At July 1, 2022		0	0	0
Revaluation gain	0	0	0	0
Surplus/(deficit) for the year	0	(81,712)	0	(81,712)
Capital grants received during the year		-	-	
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0	(0)	0
At June 30, 2023		417,439	0	417,439

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15. Statement of Cash Flows for The Year Ended 30th, June 2023

Description		FY 2022/2023	FY 2021/2022
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	22	3,423,000	3,339,270
Grants from donors and development partners		0	0
Transfers from other levels of government		0	0
Public contributions and donations		0	0
Rendering of services- fees from trainees	23	3,061,760	1,373,502
Rental revenue from facilities and equipment		0	0
Finance income		0	0
Miscellaneous income		3,600	0
Total Receipts		6,488,760	4,712,772
Payments			
Use of goods and services	28	3,920,378	2,671,806
Employee costs	29	1,966,340	773,500
Board /Council Expenses	30	296,144	476,760
Repairs and maintenance	32	387,210	291,555
Contracted services	33	0	0
Grants and subsidies	34	0	0
Total Payments		6,570,072	4,213,621
Net Cash Flows from operating activities	52	(176,162)	499,151
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(0)	(0)
Proceeds from sale of property, plant and equipment		0	0
Net cash flows used in investing activities		(0)	(0)
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		(0)	(0)
Net cash flows used in financing activities		(0)	(0)
Net Increase/(Decrease) in Cash and Cash equivalents		(81,712)	(0)
Cash and Cash equivalents at 1 JULY 2022		935,938.75	12,450
Cash and Cash equivalents at 30 JUNE 2023	26	617,355	935,938.75

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16. Statement of Comparison of Budget & Actual amounts For Year Ended 30th, June 2023

Description	Original budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization Difference	
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%	
Transfers from other National Government entities	2,000,000	0	2,00,0000	3,423,000	(1,423,000)	71.1	(a)
Grants from donors and development partners	0	0	0	0	0	0%	
Transfers from other levels of government	0	0	0	0	0	0%	
Public contributions and donations	0	0	0	0	0	0%	
Rendering of services- fees from trainees	7,391,020	0	7,391,020	3,061,760	4,329,260	59%	(b)
Sale of goods	0	0	0	0		0%	
Rental revenue from facilities and equipment	2,767,195	0	2,767,195	0	(0)	0%	
Finance income	0	0	0	0	(0)	0%	
Miscellaneous Income	0	0	0	3,600	(3600)	0%	
Total Income	12,158,215	0	12,158,215	6,488,360	5,669,855	47%	
Expenses		0					
Use of goods and services	9,630,895	0	9,630,895	3,920,378	5,710,517	59%	(c)
Employee costs	1,900,320	0	1,900,320	1,966,340	(66,020)	3.47%	(d)
Board /Council Expenses	396,000	0	396,000	296,144	99,856	25.2%	(e)
Repairs and maintenance	231,000	0	231,000	387,210	(156,210)	67.6%	(f)
Contracted services	0	0	0	0	0	0	
Grants and subsidies	0	0	0	0	0		
Total Expenditure	12,158,215	0	12,158,215	6,570,072	(5,722,043)		
		0					
Surplus For the Period		0	0	(81,712)			

(Budget notes)

- a). The difference is due to non-budgeting of capitation
- b). The difference was due to budgeting for both fees payable by students and from capitation
- c). The difference was due to increased activities in the college
- d). The changes was due to increased number of BOG trainers
- e). The changes were due to decreased number of sittings
- f). The changes were due to increased number of operations in the college

17. Notes to the Financial Statements

General Information

Riatirimba tvc is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to engage the minds of learners in order to enhance creativity and innovation to propel quality skills towards meeting industry needs.

Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

18. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.

Standard	Effective date and impact:
<p>IPSAS 4: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows.</p>

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Standard	Effective date and impact:
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol style="list-style-type: none"> 1. Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. 2. Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. 3. Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. 4. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	<p><i>Applicable 1st January 2023</i></p> <ol style="list-style-type: none"> 1. IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008). 2. IPSAS 39: Employee Benefits. Now deletes the term composite social security benefits as it is no longer defined in IPSAS. 3. IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

ii. **New and amended standards and interpretations in issue but not yet effective in the year ended 30th, June 2023.**

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial</p>

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Standard	Effective date and impact:
	statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

19. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

Summary of Significant Accounting Policies

b) Budget information

The original budget for FY 2022/2023 was approved by the board

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 1

Taxes

Current income tax

The entity is exempt from paying taxes as per schedule of the income tax Act.

Sales tax/ Value Added Tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

• **Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

• **Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a

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finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

- **Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

- **Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

• **Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value

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through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

- **Inventories**

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Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- **Raw materials:** purchase cost using the weighted average cost method.
- **Finished goods and work in progress:** cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

• **Provisions**

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

The *Entity* does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The *Entity* does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *Entity* in the notes to the

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financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

- **Social Benefits**

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

- **Nature and purpose of reserves**

The *Entity* creates and maintains reserves in terms of specific requirements.

- **Changes in accounting policies and estimates**

The *Entity* recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

- **Employee benefits**

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

- **Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

- **Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

- **Related parties**

The *Entity* regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

- **Service concession arrangements**

The *Entity* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

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- **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

- **Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

- **Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023

20. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity's* financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the *Entity*.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

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Notes to the Financial Statements (Continued)

21. Transfers from other National Government entities

Description	FY2022/2023	2021/2022FY
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	2,423,000	1,492,500
Operational Grant	1,000,000	1,846,770
Unconditional Development grants	0	0
Other Grants	0	0
Total unconditional Grants	0	0
Conditional Grants amortised/ recognised in revenue	0	0
Library Grant	0	0
Hostels Grant	0	0
Administration Block Grant	0	0
Laboratory Grant	0	0
Learning Facilities Grant	0	0
Other Organizational Grants	0	0
Total Government Grants and Subsidies	3,423,000	3,339,270

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of	0	0	0	0	0
Ministry	0	0	0	0	0
Total	0	0	0	0	0

22. Transfers from Other Levels of Government

Description	FY2022/2023	FY2021/2022
	Kshs	Kshs
Transfer from County	0	0
Transfer from University	0	0
Transfer from Institute	0	0
Total Transfers	0	0

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23. Rendering of Services

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Tuition Fees	2,647,010	1,171,187
Activity Fees	2,000	18,200
Industrial Attachment Fees	18,320	4,000
Examination Fees	161,710	94,200
Travelling	2,000	9,100
Personal emolument	2,000	15,000
Registration Fees	149,600	31,500
Caution fee	61,520	6,750
Administration	10,000	1,645
R.M.I	2,000	15,380
E.W.C	2,000	3,050
Medical and insurance		3,490
Others (Supplementary)	3,600	0
Total Revenue from The Rendering of Services	3,061,760	1,373,502

24. Sale of Goods

Description	FY 2022/2023	FY2021/2022
	Kshs	Kshs
Sale of Books	0	0
Sale of Publications	0	0
Sale of Farm Produce	0	0
Cafeteria sales	0	0
Other sales	0	0
Total Revenue from Sale of Goods	0	0

25. Rental revenue from facilities and equipment

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Hire of Facilities and Equipment	0	0
Contingent Rentals	0	0
Operating Lease Revenue	0	0
Total	0	0

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26. Finance Income

Description	FY2022/2023	FY2021/2022
	Kshs	Kshs
Cash investments and fixed deposits	0	0
Interest income from treasury bills	0	0
Interest income from treasury bonds	0	0
Interest from outstanding debtors	0	0
Total finance income	0	0

27. Miscellaneous Income

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Insurance recoveries	0	0
Consultancy fees	0	0
Income from sale of tender	0	0
Services concession income	0	0
Reimbursements and refunds	0	0
Graduation fees	0	0
Bad debts recovered	0	0
Income written back	0	0
Miscellaneous income	3,600	0
Total other income	3,600	0

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28. Use of Goods and Services

Description	FY 2022/2023	FY2021/2022
	Kshs	Kshs
Teaching and learning materials	812,583	774,740
Industrial attachment costs	44,262	20,000
Electricity	360,000	300,000
Subscriptions	163,900	0
Advertising	259,100	30,000
Examination fees	238,060	150,160
Sports	288,650	0
Catering, conferences, and delegations	145,423	0
Travelling and accommodation	1,095,135	568,900
Fuel and oil	38,161	0
Insurance	0	0
Legal expenses	0	0
Licenses and permits	0	0
Postage	7,725	7,725
Printing and stationery	79,143	0
Hire charges	0	0
Rent expenses	0	0
Skills development levies	0	0
Telephone expenses	3000	4,200
Internet expenses	66,796	41,196
Training expenses	183,400	37,800
Administration expense		691,785
Bank charges	10,030	0
Other (operating)	125,010	45,300
Total good and services	3,920,378	2,671,806

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29. Employee Costs

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Salaries and wages	1,966,340	773,500
Employee related costs - contributions to pensions and medical aids	0	0
Travel, motor car, accommodation, subsistence and other allowances	0	0
Housing benefits and allowances	0	0
Overtime payments	0	0
Social contributions	0	0
Employee Costs	1,966,340	773,500

30. Board/Council Expenses

Description	FY2022/2023	FY2021/2022
	Kshs	Kshs
Other Allowances	0	0
Board of governors Expenses	296,144	476,760
Total	296,144	476,760

31. Depreciation and Amortization expense

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property, plant and equipment	0	0
Intangible assets	0	0
Investment property carried at cost	0	0
Total depreciation and amortization	0	0

32. Repairs and Maintenance

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property	387,210	291,555
Investment property – earning rentals	0	0
Equipment and machinery	0	0
Vehicles	0	0
Furniture and fittings	0	0
Computers and accessories	0	0
Total Repairs and Maintenance	387,210	291,555

Notes To the Financial Statements (Continued)

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33. Contracted Services

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Actuarial valuations	0	0
Investment valuations	0	0
Property valuations	0	0
Other	0	0
Total contracted services	0	0

34. Grants and Subsidies

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Community Development	0	0
Education Initiatives and Programs	0	0
Social Development	0	0
Social benefits expenses	0	0
Community Trust	0	0
Sporting Bodies	0	0
Total Grants and Subsidies	0	0

35. Finance Costs

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Borrowings (Amortized Cost)*	0	0
Finance Leases (Amortized Cost)	0	0
Unwinding of Discount from lease liabilities	0	0
Interest on Bank Overdrafts	0	0
Interest on Loans from Commercial Banks	0	0
Total Finance Costs	0	0

36. Gain On Sale of Assets

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Other Assets not capitalised	0	0
Total Gain On Sale of Assets	0	0

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37. Gain/(loss) on Fair Value Investments

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Fair value on equity investments	0	0
Fair value arising from investment property	0	0
Fair value arising from biological assets	0	0
Fair value- other financial assets	0	0
Total Gain	0	0

38. Impairment Loss

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Total Impairment Loss	0	0

39. Cash and Cash Equivalent

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Current Account	617,355.75	935,938.75
On - Call Deposits	0	0
Fixed Deposits Account	0	0
Staff Car Loan/ Mortgage	0	0
Others (Specify)	0	0
Total Cash and Cash Equivalent	617,355.75	935,938.75

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Notes To The Financial Statements (Continued)

26 (a). Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank		617,355.75	935,938.75
Equity Bank, etc.		0	0
Sub- Total		617,355.75	935,938.75
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank – etc.		0	0
Sub- Total		0	0
c) Fixed Deposits Account		0	
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
		0	
d) Staff Car Loan/ Mortgage		0	
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
e) Others		0	0
Cash in Transit		0	0
Cash in Hand		0	0
Mobile Money account		0	0
Sub- Total		617,355.75	935,938.75
Grand Total		617,355.75	935,938.75

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
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40. Receivables from Exchange transactions

40 (a) Current Receivables from Exchange transactions

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Current Receivables		
Student Debtors	0	0
Total Current Receivables	0	0

40 (b) Long- term Receivables from Exchange transactions

Description	FY2022/2023	FY 2021/2022
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	0	0
Advance Payments	0	0
Public Organizations	0	0
Less: Impairment Allowance	0	0
Total	0	0
Current Portion Transferred To Current Receivables	0	0
Total Non-Current Receivables	0	0
Total Receivables	0	0

40 (c) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2022/2023		FY 2021/2022	
	Kshs		Kshs	
	FY2022/2023	% of total	Comparative FY 2021/2022	% of total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (a+b)	0	%	0	%

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40 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	Insert Current	Insert
	FY	Comparative FY
	Kshs	Kshs
At the beginning of the year	0	0
Provisions during the year	0	0
Recovered during the year	0	0
Write offs during the year	0	0
At the end of the year	0	0

41. Receivables from Non-Exchange transactions

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Current Receivables		
Capitation Grants*	0	0
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	0	0

28 (a) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	FY2022/2023		FY2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	0	%	0	%

28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	0	0
Written off during the year	0	0
At the end of the year	0	0

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42. Inventories

Description	FY 2022/2023	FY2021/2022
	Kshs	Kshs
Consumable stores	88,800	28,350
Maintenance stores	29,600	0
Health Unit stores	0	0
Electrical stores	0	0
Cleaning Materials stores	6,500	6,500
Catering stores	420	3,050
Less: Impairment allowance	0	0
Total Inventories at lower of Cost and Net Realizable Value	129,150	37,900

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
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Notes to the Financial Statements (Continued)

43. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2021	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0	0	0	0
At 30th June 2022	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0
At 30th June 2023	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
Depreciation And Impairment	0	0	0	0	0	0	0	0
At 1 July 2021	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0
At 30 Jun 2022	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0	0	0	0
At 30th Jun 2023	0	0	0	0	0	0	0	0
Net Book Values	0	0	0	0	0	0	0	0
At 30th Jun 2022	0	0	0	0	0	0	0	0
At 30th Jun 2023	0	0	0	0	0	0	0	0

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets have not been revalued as some of the assets are still in the books of Keroka TTI our mentor institution and therefore are not disclosed in our financial statements.

31 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets have not been revalued and has no ownership hence not disclosed in the financial statements.

44. Intangible Assets

Description	FY2022/2023	FY2021/2022
	Kshs	Kshs
Cost		
At beginning of the year	0	0
Additions	0	0
At end of the year	0	0
Additions–internal development	0	0
At end of the year	0	0
Amortization and impairment	0	0
At beginning of the year	0	0
Amortization	0	0
At end of the year	0	0
Impairment loss	0	0
At end of the year	0	0
NBV	0	0

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45. Investment Property

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
At beginning of the year	0	0
Additions	0	0
Disposal during the year	0	0
Depreciation	0	0
Impairment	0	0
Gain or loss on fair value- if fair value is elected	0	0
At end of the year	0	0

	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Cattle	0	0
Trees	0	0
Others	140,000	0
Total	0	0

46. Trade and Other Payables

Description	FY 2022/2023		FY 2021/2022	
	Kshs		Kshs	
Trade payables	0		0	
Fees paid in advance	0		0	
Salary deductions	0		0	
Third-Party Payments	0		0	
Other Payables	0		0	
Total Trade and Other Payables	0		0	
Ageing analysis:	FY2022/2023	% of the Total	FY 2021/2022	% of the Total
Under one year	0	%	0	0
1-2 years	0	%	0	0
Total (to tie to totals above)	0	%	52,502	100

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
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The deferred income movement is as follows:

Description	National government	International funders/donors	Public contributions and donations	Total
	0	0	0	0
Balance brought forward	0	0	0	0
Additions during the year	0	0	0	0
Transfers to capital fund	0	0	0	0
Transfers to income statement	0	0	0	0
Other transfers	0	0	0	0
Balance carried forward	0	0	0	0

49. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	Insert Current FY	Insert Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total Employee Benefits Obligation	0	0	0	0	0

Recognition of Retirement Benefit Asset/ Liability

- a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

Description	FY2022/2023	FY 2021/2022
	Kshs	Kshs
The return on defined plan assets	0	0
Actuarial gains/ losses arising from changes in demographic assumptions	0	0
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	0	0
Actuarial gains and losses arising from experience adjustments	0	0
Others (<i>specify</i>)	0	0
Adjustments for restrictions on the defined benefit asset	0	0
Remeasurement of the net defined benefit liability (asset)	0	0

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50. Payments received in advance.

Description	FY 2022/2023		FY 2021/2022	
	Kshs		Kshs	
Fees received in advance	0		0	
Others	0		0	
Total	0		0	
Ageing analysis:	FY 2022/2023	% of the Total	FY2021/2022	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	0	%	0	%

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
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51. Cash generated from operations.

Surplus for the year before tax	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Adjusted for:	(81,712)	
Depreciation	0	0
Non-Cash grants received	(0)	0
Contributed assets	(0)	0
Impairment	0	0
Gains and Losses on Disposal of Assets	(0)	0
Contribution to provisions	0	0
Contribution to impairment allowance	0	0
Finance Income	(0)	0
Finance Cost	0	0
Working Capital Adjustments		
Increase in Inventory	(91,450)	0
Increase in Receivables	(0)	0
Increase in Deferred Income	0	0
Increase in Payables	0	0
Increase in Payments received in advance	0	0
Net Cash Flow from Operating Activities	(173,162)	0

52. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2023 (current year)	0	0	0	0
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
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Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

(iii) Market risk

The entity has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2023			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities	0	0	0
Trade and Other Payables	0	0	0
Borrowings	0	0	0
	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

53. Related Party Balances

Nature of related party relationships

Entities and other parties related to the entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the *entity*, holding 100% of the *entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties include:

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;

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Appendix 11: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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Appendix I- Inter-Entity Confirmation Letter



RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
 P.O. BOX 25 – 40201, GESUSU, Tel: 0757331035
 Email



[RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE]

The Government wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Riatirimba Tvc] as at 30th June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2023				Amount Received by [Beneficiary Entity] (Kshs) as at 30 th June 20XX (E)	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

In confirm that the amounts shown above are correct as of the date indicated.

Head of Accountants Riatirima TVC:

Name *Kawaga* Sign *[Signature]* Date *20/04/2025*

RIATIRIMBA TECHNICAL & VOCATIONAL COLLEGE
 APR 2025
 Box 25 - 40201, GESUSU
 Email: info@riatirimbatvc.ac.ke